

EXHIBIT 6

U.S. Said to Investigate Sheldon Silver, New York Assembly Speaker, Over Payments

By William K. Rashbaum, Thomas Kaplan and Susanne Craig

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Federal authorities are investigating substantial payments made to the State Assembly speaker, Sheldon Silver, by a small law firm that seeks real estate tax reductions for commercial and residential properties in New York City, according to people with knowledge of the matter.

Prosecutors from the United States attorney's office for the Southern District of New York and agents of the Federal Bureau of Investigation have found that the law firm, Goldberg & Iryami, P.C., has paid Mr. Silver the sums over roughly a decade, but that he did not list that income on his annual financial disclosure forms, as required, the people said.

The prosecutors, from the office of the United States attorney, Preet Bharara, and the F.B.I. agents were seeking to determine precisely what Mr. Silver, a Manhattan Democrat, has been doing for the payments, the people said. Spokesmen for the F.B.I. and Mr. Bharara's office declined to comment.

Part-time work by legislators has long been a focus of federal investigators because corrupt lawmakers have used payments for ostensible part-time jobs or consulting work to mask political payoffs. It has also been a source of concern among government watchdog groups because of the potential for conflicts of interest.

The investigation into the Goldberg firm's payments to Mr. Silver grew out of the work of the Moreland Commission, an anticorruption panel that Gov. Andrew M. Cuomo, a Democrat, created in 2013 but abruptly shut down in March. Before it was shut down, the commission had investigated how lawmakers earn money outside of Albany, though the inquiry was stymied by a legal challenge from lawmakers and their employers.

Mr. Silver, who has wielded enormous influence in Albany for the two decades in which he has served as speaker, is a personal injury lawyer. He is not known to have any expertise in the complex and highly specialized area of the law in which Goldberg & Iryami practices, known as tax certiorari, which involves challenging real estate tax assessments and seeking reductions from municipalities.

Mr. Silver's income from his private law practice well exceeds his legislative salary, which as speaker totals \$121,000. On his most recent financial disclosure form, for 2013, he reported earning more than \$650,000 from his outside legal work. But what he does to earn that money has long been shrouded in secrecy.

With his deep, graveled monotone and laconic style, Mr. Silver has been an enduring and inscrutable player in Albany, even as scandals and elections have claimed governors and other legislators. He has weathered many public storms during his reign as speaker, including a coup attempt in 2000; accusations that he mishandled sexual assault allegations against one of his top aides; and, later, criticism that he concealed sexual harassment allegations against an influential Brooklyn assemblyman.

While Mr. Silver has been the focus of previous federal investigations, none of which resulted in charges, the disclosure that federal authorities are examining payments made to him raises new questions about possible conflicts of interest.

He has long listed the personal injury firm Weitz & Luxenberg on his financial disclosure forms. Still, almost nothing is known about his role at the firm.

State ethics laws do not require him to provide any details about what he does, who his clients are, or even if he has any clients at all. Public records contain no indication that he has ever appeared on behalf of clients in state or federal court. For years, he has steadfastly refused to discuss his work or his clients in anything but the most general terms.

The people with knowledge of the matter, who spoke on the condition of anonymity because the investigation was continuing, would not say how much Goldberg & Iryami, and a predecessor firm, Jay Arthur Goldberg, P.C., had paid Mr. Silver in roughly a decade, with one characterizing it only as substantial.

Mr. Silver did not respond to questions about the investigation or his relationship with the Goldberg firm, including how much the firm has paid him, when the payments began, what work he has performed, or whether he has any tax certiorari experience. In the past, he has maintained that he has properly disclosed all of his income.

Mr. Silver was the subject of two separate unrelated federal investigations in the last few years, according to several people with knowledge of those inquiries. One focused on loans he had made to a litigation funding company called Counsel Financial, which is related to Weitz & Luxenberg. The other focused on a lobbyist with a longtime relationship with Mr. Silver. Neither resulted in criminal charges.

Goldberg & Iryami appears to have just two lawyers. It operates out of a small office at 42 Broadway in Lower Manhattan, a somewhat run-down building that also houses a number of city offices. It is led by Jay Arthur Goldberg, 75, who served on New York City's Tax Commission during the administration of Mayor Edward I. Koch.

Mr. Goldberg has also been an occasional supporter of Mr. Silver's campaigns. Since 2001, he and his law practice have made six donations to Mr. Silver, totaling \$7,600, according to campaign finance records. The most recent contribution was in February, when Goldberg & Iryami gave him \$1,800.

Mr. Goldberg, in a brief telephone conversation, referred questions about the investigation to his lawyer, Michael S. Ross, who declined to comment.

In recent years, Mr. Goldberg and his firm have represented hundreds of properties across New York City, from modest storefronts on Staten Island to office buildings in Midtown Manhattan, according to court filings and records from the city's Tax Commission. He has also represented large cooperative developments on the Lower East Side, the neighborhood that makes up the heart of Mr. Silver's political base.

The sizable number of properties on the Lower East Side for which Mr. Goldberg has sought real estate tax reductions include Mr. Silver's own co-op, the Hillman Housing Corporation, a development of brick apartment buildings on Grand Street, tax records show, as well as the commercial building across the street that is listed in state records as the address for Mr. Silver's campaign committee, Friends of Silver. Mr. Goldberg and his firm have also represented a related development along Grand Street and the Franklin D. Roosevelt Drive, the East River Housing Corporation, the records show, which like Hillman Housing is managed by a close Silver associate, Harold Jacob.

A recent letter from the East River board president to shareholders heralded what it said were the successes of its tax certiorari firm, without mentioning it by name. "In almost every year they have been successful in reducing the increase in our taxes," the board president, Gary Altman, wrote in the letter.

Mr. Jacob, in a 2009 letter to East River shareholders, noted that the city had raised the development's assessment to \$28 million, and that its tax certiorari lawyer "was very successful in reducing what could have been a \$3,000,000 increase to a \$750,000 increase" in taxes.

In an interview, Mr. Jacob said that Mr. Goldberg has been seeking tax reductions for the developments since Mr. Jacob began managing them, more than 25 years ago. He said that while he knew Mr. Goldberg personally — the tax lawyer grew up in the same Lower East Side neighborhood as Mr. Jacob — he was awarded the

work because he regularly outbids his competitors.

Tax certiorari work is done on contingency, with lawyers traditionally getting paid roughly a third of any reduction they obtain. Mr. Jacob said the developments have paid Mr. Goldberg substantially less.

Griffin Palmer contributed reporting.

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